

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

H

D

HOUSE DRH70666-LY-343 (5/10)

Short Title: Tax Credit for High-Fuel-Economy Cars. (Public)

Sponsors: Representative Tucker.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR AN INCOME TAX CREDIT FOR THE
MANUFACTURE OF A HIGH-FUEL-ECONOMY MOTOR VEHICLE.

The General Assembly of North Carolina enacts:

SECTION 1. Part 1 of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-130.48. Credit for manufacturing high-fuel-economy motor vehicles.

(a) Definition. – As used in this section, a 'high-fuel-economy motor vehicle' is a motor vehicle that has a combined fuel economy rating, as determined by the United States Environmental Protection Agency, that equals or exceeds 30 miles per gallon.

(b) Credit. – A taxpayer that manufactures in this State a high-fuel-economy motor vehicle is allowed a credit against the tax imposed by this Part. The amount of the credit is equal to five hundred dollars (\$500.00) per high-fuel-economy motor vehicle manufactured in this State.

(c) Cap. – The credit allowed by this section may not exceed fifty percent (50%) of the amount of the tax imposed by this Part for the taxable year reduced by the sum of all other credits allowable, except payments of tax made by or on behalf of the taxpayer. This limitation applies to the cumulative amount of the credit, including carryforward, claimed by the taxpayer under this section for the taxable year. Any unused portion of the credit may be carried forward for the succeeding 10 years."

SECTION 2. This act is effective for taxable years beginning on or after January 1, 2006.